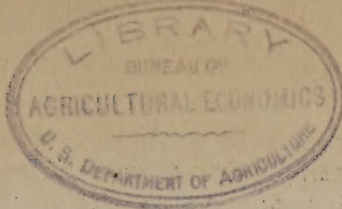


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### COTTON ADJUSTMENT IN 1934.

A radio talk by Cully A. Cobb, chief of cotton section, Agricultural Adjustment Administration, delivered in the Department of Agriculture period, National Farm and Home Hour, Thursday, December 14, 1933, over a network of 48 associate NBC radio stations.

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Hello, Farm and Home Folks!

I want to come into your home for a short visit. Let's imagine that I'm sitting in the guest chair in front of your fire, and that we are talking over the cotton program for next year in an attempt to find answers to some of the most important questions that confront us.

To begin with, cotton is one of the major cash crops in this country. When cotton is bringing a fair price the farm families in 16 States are able to live at a fair standard, and the whole country is better off. But when cotton is selling below the cost of production, as it did last year and the year before, hunger and want are abroad in the South.

This year's cotton adjustment program is responsible for the taste of prosperity we are enjoying in the Cotton Belt this fall. This year's program prevented us from harvesting a  $17\frac{1}{2}$  million bale crop, and by holding down the supply it is giving our cotton mills and the world a chance to use up some of the surplus that caused low prices in the last two or three years.

The average farm price of cotton last February was 5 and a half cents a pound. That was below the cost of production on many farms. But the minute we started talking about a cotton adjustment program the price of cotton started climbing. It rose to 6 cents in April, 8.2 cents in May, 8.7 cents in June, and a three-year peak of 11 and a half cents a pound in July. And cotton farmers have received an average of between 9 and 10 cents a pound for their cotton practically all this fall, compared with an average of 6 and a half cents a pound for the whole of last year.

Do you think for a minute that we would have had the 9 and 10 cent price we are enjoying this fall if it hadn't been for the cotton adjustment program? Well, hardly. The crop reporting board of the Department of Agriculture tells us that farmers planted 41 million acres to cotton last spring, and that the production would have been between 17 or 18 million bales if the farmers had not plowed up more than one-fourth of the crop.

And if we had added a 17 or 18 million bale crop to the big supply of cotton already on hand--- well, I hate to think what the price might have been this fall. But you get the point. You see what I'm driving at. We are enjoying medium prosperity in the Southland this fall because we held down the size of this year's cotton crop.

But one year is not enough --- one square meal won't keep a man in good health forever. We still have enough cotton on hand to supply the world with American cotton for this season and the better part of another if we didn't



grow a boll of cotton next year. We will have a supply of around ten million bales when we go into the fields to begin picking next year. We must hold down our production until the world has had time to use up this enormous supply, and get it in line with the normal demand. That's the goal, and it would be foolish to stop before we reach it. To turn back now and put in a big crop of cotton next year, after we have reduced one year and tasted the sweet results of 10 cent cotton and the fine job of the year would be like killing the goose that laid the golden egg.

So with your help and cooperation we are going on to success in the 1934 and '35 programs as we did in the emergency program this year. We can do it by pulling together like we did this year.

Our records show that about 90 per cent of the farmers who were eligible to sign this year's cotton contract, signed it. That's the kind of cooperation we want -- must have, in fact -- in signing up the 1934 contract. And I believe we'll get it. I know we'll get it if you farmers, and bankers, and business men, and chambers of commerce, and other civic and community clubs get in behind the 1934 program like you did in this year's emergency program. And I feel sure you'll do it if you'll just stop and think what might have happened without this year's program.

Ask yourself why we are enjoying better times in the Cotton Belt this fall. Do you think we would have had 9 and 10 cent cotton this fall if there had been no cotton adjustment program this year? Banks were busting all around us last fall. But Cotton Belt banks report an increase in deposits this fall. Business was at a standstill last year. Business in the Cotton Belt is good this fall.

Business conditions are better in the Cotton Belt this fall because we have more money, and we have more money in the Cotton Belt because cotton is bringing a higher price. And it's bringing a higher price because the cotton adjustment program cut down the size of this year's crop, and helped to reduce the supply. That started the price of cotton to climbing. There were other factors, of course, but the point is the farmer is getting more money for his cotton, because he took steps to do it and that's the thing that counts.

Don't let the present price of cotton, and the temporary wave of Cotton Belt prosperity mislead you, and make you believe that you'll make more money by staying out of the 1934 program and expanding your cotton acreage. You'll not only be unpatriotic and work against your neighbor if you stay out, but if you expand your acreage and increase production -- the very thing we don't want -- you'll pull the price of cotton down and put us right back where we have been. That means putting our women and children back in the cotton fields; the production of more cheap cotton to get money to pay the taxes and the other expenses that every farmer has to meet.

This is no time for "chiselers" who want to expand production and get rich at the expense of the millions who are pulling together for better prices and even better days than we are enjoying this fall. If all cotton farmers prosper all legitimate interests will prosper also. Every farmer, and every banker, and every community leader must look the facts squarely in the face, and remember that the big supply of cotton is still hanging like a thundercloud over our heads and that it will descend on us like a cloudburst unless we



continue some sort of controlled production. This is a time when every man must do his part. The welfare of the South demands it.

The new contract is about ready to take to the field. It won't be long until every farmer will have an opportunity to sign on the dotted line again. If you approve of the 9 and 10 cent cotton you have enjoyed this fall, and want still better prices, sign the 1934 and '35 contract when it is presented and join the millions who are pulling for more money and better days for the cotton farm family, the business man, the banker, the Southland, and for the country.

I want to take this opportunity to thank all you folks, big, little, old, young, black, and white, for your help in this year's program. It would have failed without your help. I'm counting on you to give your industry and your Government the same loyal support in getting the 1934 contract signed that you gave us in this year's emergency program.

I may not be on the air again before Christmas, so I want to take this opportunity to wish you all a happy Christmas, good luck, and lots of it. Goodbye.

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